

Testimony on: HB1411 – Data Center Planning and Transparency Act  
Committee: Environment and Transportation  
Submitting: Rhonda Kranz  
Position: Favorable  
Hearing Date: March 10, 2026

Dear Chair Korman and Committee Members:

Thank you for allowing my written testimony in support of HB1411 – Data Center Planning and Transparency Act. Data Centers are growing exponentially across Maryland yet there is little access to data about these projects. There are currently about 40 commercial data centers in Maryland with twelve 12 newly proposed. These new hyperscale projects are projected to use 200 times the estimated power of the existing Maryland data centers.

Each new data center requires new generation sources and transmission and distribution infrastructure. Given Maryland's already insufficient transmission system meeting the requirements will take coordination and planning across the state. And yet, data center development is largely regulated at the local government level with no State agency tracking or monitoring growth. Local governments do not have the staff or resources to keep up with and evaluate the multiple components and impacts of this growth, often leading to quick regulatory approvals. In addition, the planning and development process is often inaccessible to local residents, who don't get a say in what happens in their own backyards.

In addition to energy use, water consumption, backup diesel generators, projected noise levels, job creation, and other essential information related to data center construction and operation is not readily available. Making it impossible for logistical planning, and sensible, cost and energy saving decisions in response to the state's immense data center growth.

HB1411 is a first step toward responsible management of data center projects, requiring local planning with community input and statewide reporting. By conditioning eligibility for exemption from the State sales and use tax, this bill will incentivize data center developers to provide the key information that Maryland agencies and local governments need to make informed regulatory decisions and sustainably manage data center projects.

The Data Center Planning and Transparency Act increases transparency and community input by:

- Requiring data center operators to submit disclosure reports: Large-scale data center operators will be required to submit detailed reports to the Maryland Department of Planning, Maryland Department of the Environment, and relevant local authorities that will be made publicly available online.
- Requiring local governments to transparently plan for data center approval and development: Local governments will be required to design transparent approval processes for data center projects that include public notice and public input meetings.
- Restricting financial incentives for data center projects: Makes it more difficult for local government officials to financially incentivize data center projects.

For these reasons, I urge the committee to issue a FAVORABLE report for HB1411.